

BEFORE THE
SURFACE TRANSPORTATION BOARD
EX PARTE NO. 582
PUBLIC VIEWS ON MAJOR RAIL CONSOLIDATIONS
STATE OF STATE SENATOR DAN L. DeGROW
SENATE MAJORITY LEADER



ENTERED
Office of the Secretary

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My name is Dan L. DeGrow and I serve as the Senate Majority Leader of the Michigan State Senate. My office is located in the State Capitol at Lansing, Michigan, 48909. For the past fifteen years I have represented the 27th Senate District, which includes the counties of Lapeer, St. Clair and Sanilac.

During my tenure in the Senate, I have become very familiar with the operations of Canadian National Railroad and many of its employees within the State of Michigan. Canadian National has played an important role in the economic development of my district and that role continues to expand with the recently completed Canadian National/Illinois Central merger.

It is with this strong recognition of Canadian National's positive impact on my district and the state's that I express my support of the combination of the Canadian National and Burlington Northern Santa Fe. I believe this combination will play a large role in achieving rail market share growth by generating new and increased business opportunities as well as added efficiencies through improved asset utilization and service scheduling.

I firmly believe this combination will result in increased rail traffic within the Chicago – Port Huron corridor. Equally important, it should ultimately expand employment opportunities as a result of the growth potential of this new enterprise, which will create an end-to-end operating network.

From the time Canadian National began construction of the tunnel under the St. Clair River from Port Huron, Michigan (within my Senate district) to Sarnia, Ontario, Governor John Engler and the entire state became very supportive of Canadian National's commitment to the state's economic development. Since the original construction was completed, several modifications have been made to the tunnel in an effort to accommodate the growing needs of its shippers. In fact, this tunnel was recently recognized by the American Society of Civil Engineers as one of the state's ten most important projects in the twentieth century.

As I review the map that outlines the combination, it is clear that Canadian National will be uniquely positioned to assist shippers in taking advantage of increasingly critical north-south trade flows within North America by providing a fluid and cost-effective east-west transportation

network. I believe this will be accomplished by combining two of the most efficient railroads within North America that have established enviable track records of successfully developing and implementing previous consolidations.

In summary, I reiterate my support of the Canadian National/Burlington Northern Santa Fe combination and would respectfully request that the Surface Transportation Board give a fair and timely hearing in order to arrive at a conclusion based on the merits of all available information. Thank you for allowing me the opportunity to share my thoughts with you on this very important matter.

DAN L. DeGROW
STATE SENATOR, 27TH DISTRICT
SENATE MAJORITY LEADER